

National Data Provider Avoids Chargeback Jail

The Situation

A national data provider (who wishes to remain anonymous for competitive reasons) was in crisis.

Because of fraud problems, the provider's chargeback rates were consistently running over the 1% threshold. After a series of fines and penalties, the firm was put on notice that it was within 30 days of a processing shutdown.

Like many other firms, the company had reached this state by assembling its own collection of anti-fraud tools and was managing them itself. But their process suffered from poor fraud prevention results. This caused them to undertake more manual reviews, which created customer satisfaction problems, slower service, and significantly higher labor costs.

The Outcome

Upon implementation of the Kount platform, the threat of a processing shutdown receded almost overnight. Chargeback fines/penalties were eliminated in just 30 days.

More importantly, the Kount team was able to optimize the system so that rejection rates were set to allow the maximum number of sales, while keeping fraud rates at acceptable levels. In fact, the company has maximized revenue by tuning the Kount fraud detection system to limit chargeback rates to just below the warning threshold.

What's more, manual reviews have been reduced to **less than 0.8% of transactions**. This has enabled faster service, greater customer satisfaction, and lower labor costs. For an order rate of over 30,000 transactions per day, a single fraud analyst is on staff, reviewing 200 – 300 orders a day. The other 29,700 orders are examined, scored and either approved or rejected **automatically** using Kount's interlocking fraud detection and assessment tools. No human intervention is required.

The Solution

With the processing shutdown looming, the company was compelled to act quickly. The firm solicited proposals from five companies. After reviewing proposals for speed/ease of implementation, plus performance and flexibility, Kount was selected. Integration with the Kount platform was fast and nearly seamless. The Kount solution employs a Software as a Service platform, so it does not require the time-consuming purchase/deployment of hardware and software.

Within 10 days, the provider had Kount's basic fraud prevention system up and running. Chargebacks started dropping immediately. Within 45 days, the rules had been fully tuned to meet the customer's specific business characteristics.



They've just been super. We implemented in two weeks, tuned the system within six, and were out of chargeback jail within a month.

**Fraud and Risk Manager
National Data Provider
[Company wishes to retain its anonymity for competitive reasons.]**





Kount is a leading innovator of solutions for fraud and risk management. Our “decision engine” platform is ideal for managing fraud in online/telephone channels that process payments and onboard new customers. Kount is committed to offering an end-to-end, single-source solution focused on speed, simplicity and ease of use... with a no-compromise approach to providing real-time accuracy in results.

KOUNT COMPLETE™

The Kount Complete™ fraud control solution delivers out-of-the-box results at a fixed cost, while providing total customization/control so you can fine tune results to meet the unique requirements of your vertical industry or market segment.

Better, Real-Time Data

- Kount uses cross-merchant, cross-vertical consumer activity data that no other provider has access to
- Truth-in-data outcome: automated chargeback updates, manual review outcomes, card networks, etc.

Best-in-Class Technology

- Kount holds multiple patents and owns the core technology
- NOT channel specific: handles Online, Mail Order, Phone, etc., along with credit cards, checks, ACH, alternate payments, etc.

Operational Efficiency

- Super-fast response time: 250 to 350 milliseconds
- Automation of manual review process allows fewer agents to handle more reviews

End-to-End Solution

You only need one solution to run your entire fraud/risk operation:

- Comprehensive, integrated set of fraud technologies and tools, including:
 - Multi-layer Device Fingerprinting™
 - Proxy-Piercer®
 - Dynamic Scoring™
 - AutoAgent with Manual Review Automation
 - And much more...
- Single-platform infrastructure connects 3rd-party authentication and verification tools into a single interface
- Single view for Customer Service and fraud prevention / manual review
- Real-time rule provisioning lets you change rules and workflow on-the-fly

Simplicity and Ease of Use

Fraud prevention does not have to be complex or complicated:

- Ready to use without major infrastructure or time investment: you can get up-and-running right away
- Intuitive, point-and-click interface lets you easily configure and manage all tasks
- 3rd-party point solutions are pre-integrated
- Manual reviews can be reduced to just 1% of transactions

Value and Accuracy

Single-source solution with fixed costs...avoid the expense / upkeep of multiple tools:

- Immediate, dramatic results: 30% uplift on top and bottom line
- Reduced costs and faster response times because Kount owns the core underlying technology
- Analyzes over 200 individual risk variables in just 250 to 350 milliseconds to deliver an accurate, quantified risk score (1-99)
- Dramatically reduces chargebacks: on-going, post-transaction monitoring provides alerts on transactions that have subsequently shown negative behavior